



Effective Whistleblower Programs – a Conversation

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Introduction

Why we are here today

Circumstances/Issues Giving Rise to Whistleblower Complaints

- Cyber-attacks on data/network security
- Corporate fraud / bribery and corruption
- Whistleblower rights
- Anti-competition activities
- Product safety / quality control
- Financial reporting / accounting irregularities

Current Regulatory Environment

- Invites, if not demands, whistleblower programs as part of response protocol
- Credits independent investigations as important part of cooperation and a key element in reducing corporate liability
- Regulators and investors expect independent directors and external advisors to lead investigations where circumstances warrant

Common Barriers to Reporting

Whistleblower program design should consider and anticipate:

- Confusion
- Cynicism
- Distrust
- Futility
- Fear
- Shame
- Co-Worker Tension
- Cultural issues
- Other?

Overcoming Barriers to Reporting

Strategies to encourage reporting may include:

- Providing multiple reporting channels
 - Internal, external, or both?
- Cultivate a culture of whistleblower acceptance/encouragement
- Leadership expectations
- Cascading communications
- Make it mandatory?
- Careful in discouraging other means of reporting
- Have a policy?
- Provide specific examples of reportable issues
- Describe how the process works?
- Rewards and recognition?
- Communicate lessons learned?
- Walk the halls – everywhere
- Include contractors/vendors?
- Other strategies?

Engaging the Anonymous Whistleblower

Strategies to engage a reluctant whistleblower may include

- Setting the tone from the start
- Prompt communication
- Reinforce key messaging?
- Alternative reach out strategies?
 - Internal and external investigators
- Supplemental questions?
- Other witnesses or persons with knowledge?
- Meet personally?
- Third party intermediary?
- Other strategies?

Setting the Expectations

Strategies to manage expectations:

- Setting the tone from the start
- Communicate the process
- Consider getting the allegation in writing?
- Set expectations on their level of involvement?
- Communicate results/outcomes?
- How to handle assurances around anonymity
- As distinguished from confidentiality?

Non-retaliation – Delivering on the Promise

Strategies to help ensure non-retaliation:

- Career counseling?
- Periodic follow ups?
- Clear contact person for concerns?
- Special handling of personnel file?
- Exit interviews?
- Other strategies?

Any Questions?



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Summary

- Rob serves as Director, Regulatory, Forensics & Compliance at Deloitte Forensic with over 30 years of experience in the corporate sector and private professional settings. Rob serves as the Central US Region leader of our Corporate Investigations and Forensic Accounting practice, and also leads our Foreign Corrupt Practices Act (FCPA) and Business Intelligence practice areas. He is a former global chief compliance officer at a Fortune 10 multinational corporation and is among our global thought leaders in the design and implementation of effective Corporate Compliance Programs.

Professional Affiliations

- Adjunct Faculty Member, NYU Graduate School of Continuing & Professional Studies, Corporate Investigations and Compliance curriculum

Professional Background

- Before Deloitte, Rob served as the global chief compliance officer at Ford Motor Company, and also served as assistant general counsel and assistant secretary at Ford. Rob's scope of compliance responsibility included the Ford brand, Lincoln, Mercury, Volvo, Jaguar, Land Rover, Aston-Martin, Mazda, Hertz, and Ford Credit.
- Practiced law with the international law firm of Sidley Austin LLP

Experience Highlights

- Deep international experience handling forensic accounting investigations on behalf of management and boards of directors, including matters involving financial statement fraud, accounting irregularities, asset misappropriation, fraud and corruption. Has led forensic accounting investigations in virtually every industry sector including manufacturing, consumer products, retail, technology, higher education, and life sciences
- Broad experience in the design and implementation of effective corporate compliance programs, including whistle blower response mechanisms, internal controls, financial and accounting controls, and auditing and monitoring processes.
- Extensive experience working with companies operating under government monitors and oversight in regulatory remediation situations, including the enhancement of financial and accounting controls.



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